



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2011 Biennium

Bill #	HB0478	Title:	Eliminate licensing fees for small plant sellers
Primary Sponsor:	Grinde, Wanda	Status:	As Amended in Senate Committee

- | | | |
|---|--|--|
| <input type="checkbox"/> Significant Local Gov Impact | <input checked="" type="checkbox"/> Needs to be included in HB 2 | <input checked="" type="checkbox"/> Technical Concerns |
| <input type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts | <input type="checkbox"/> Dedicated Revenue Form Attached |

FISCAL SUMMARY

	<u>FY 2010 Difference</u>	<u>FY 2011 Difference</u>	<u>FY 2012 Difference</u>	<u>FY 2013 Difference</u>
Expenditures:				
State Special Revenue	(\$23,275)	(\$23,275)	(\$23,275)	(\$23,275)
Revenue:				
State Special Revenue	(\$23,275)	(\$23,275)	(\$23,275)	(\$23,275)
Net Impact-General Fund Balance:	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Description of fiscal impact:

The bill creates a small plant vendor category and exempts small plant vendors from license fees in the nursery program. Revenue within the Department of Agriculture to the nursery state special account will be reduced as the amount of fees is reduced.

FISCAL ANALYSIS

Assumptions:

1. Prior to the legislative session of 2007, there was a tiered licensing structure, which included exemption of nurseries with annual gross sales of less than \$1,000. In 2007 there were 1,097 licensed nurseries. Of the 1,097 nurseries, 22.15% or 243 paid no license fee.
2. There are currently 1,104 licensed nurseries. Using the same percentage of licensure categories, 245 nurseries (1,104 x 22.15% = 245) would have sales of less than \$1,000. Nurseries with sales of less than \$1,000 would be exempt from fees but not licensure. The loss of revenue would be \$23,275 (245 licenses X \$95 license fee = \$23,275).
3. If this bill passes, spending authority will be reduced by the lost revenue of \$23,275 (\$9,103 in personal services and \$14,172 operations) each year.

	<u>FY 2010</u> <u>Difference</u>	<u>FY 2011</u> <u>Difference</u>	<u>FY 2012</u> <u>Difference</u>	<u>FY 2013</u> <u>Difference</u>
<u>Fiscal Impact:</u>				
<u>Expenditures:</u>				
Personal Services	(\$9,103)	(\$9,103)	(\$9,103)	(\$9,103)
Operating Expenses	(\$14,172)	(\$14,172)	(\$14,172)	(\$14,172)
TOTAL Expenditures	(\$23,275)	(\$23,275)	(\$23,275)	(\$23,275)
<u>Funding of Expenditures:</u>				
State Special Revenue (02)	(\$23,275)	(\$23,275)	(\$23,275)	(\$23,275)
TOTAL Funding of Exp.	(\$23,275)	(\$23,275)	(\$23,275)	(\$23,275)
<u>Revenues:</u>				
State Special Revenue (02)	(\$23,275)	(\$23,275)	(\$23,275)	(\$23,275)
TOTAL Revenues	(\$23,275)	(\$23,275)	(\$23,275)	(\$23,275)
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>				
State Special Revenue (02)	\$0	\$0	\$0	\$0

Technical Notes:

1. The Senate Committee on Agriculture, Livestock, and Irrigation addresses the nursery licensing fee structure in SB 38 - Revise laws regarding nurseries and plant dealers. SB 38 would mitigate the fiscal impact of HB 478 as noted above. In order for HB 478 to have no fiscal impact both HB 478 and SB 38 as amended by the Senate Agriculture, Livestock, and Irrigation Committee have to pass.

*Sponsor's Initials*_____
*Date*_____
*Budget Director's Initials*_____
Date